

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

MARK PANNEK, et al., <div style="text-align: center;">Plaintiffs,</div> <div style="text-align: center;">v.</div> U.S. BANK NATIONAL ASSOCIATION, <div style="text-align: center;">Defendant.</div>	: Case No. 1:19-cv-00852 : Judge Matthew W. McFarland : DECLARATION OF THOMAS : STROTMAN IN SUPPORT OF : PLAINTIFFS' MOTION IN : OPPOSITION TO SUMMARY : JUDGMENT : : :
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I, Thomas Strotman, hereby certify pursuant to 28 U.S.C. § 1746 that the statements set forth below are true and correct to the best of my knowledge, information and belief:

1. I have personal knowledge of the information presented herein.

2. Throughout my career in risk management, I worked for various financial institutions where I received multiple promotions. I have attached a copy of my resume (Attachment 1), which includes positions I worked at from 1997-2017).

3. I was employed by U.S. Bank National Association ("U.S. Bank") as the Vice President of Governance Control in the Consumer Business Banking Operations area from January 2017 to May 2018.

4. I was hired in January 2017 to improve the Governance Control group within the Consumer Business Banking Operations area.

5. At the time of my hiring, one of the areas that was widely identified as deficient was Third Party Risk Management. The OCC (Office of Comptroller of Currency) had communicated concerns regarding Third Party Risk, in addition internal risk, control, and audit groups had likewise cited deficiencies in Third Party Risk Management.

6. In July 2017 in an effort to address the known deficiencies, I terminated Siobhan Whitlock who previously led the Third Party Risk Management function, and subsequently recruited Mark Pannek for that role. (Strotman Dep. 52-54, 56, Doc # 36 at Page ID 881-83, 885.)

7. I supervised Mark Pannek from August through November 2017. With over thirty-five years in Governance, Risk, and Compliance directly within the banking industry, Mark was widely regarded as an expert in Third Party Risk Management best practices and implemented similar programs for other Tier 1 financial institutions, including JP Morgan Chase Bank, Citi Bank, Fidelity, among others. His in-depth expertise in both Third Party Risk Management and banking regulations coupled by his MBA in Strategic Leadership made Mark an exceptional hire.

8. Leveraging his expertise, Mark immediately began addressing the known deficiencies in Third Party Risk Management.

9. Mark prioritized the Third Parties by criticality to U.S. Bank. He then re-aligned the Third Party Risk team to schedule and perform control due diligence reviews of the Third Parties by criticality, greatly improving the efficiency of managing risks to U.S. Bank.

10. Beyond prioritizing the Third Parties by criticality and aligning the team accordingly, Mark broadened the scope of the Due Diligence reviews to include controls around information risk and protecting U.S. Bank's PII (Personally Identifiable Information) and other highly restricted data (e.g., Intellectual Property). Before Mark, these information risk controls were never considered and were a risk blind spot for U.S. Bank.

11. Mark also introduced and implemented real time monitoring of the most critical vendors, leveraging the PESTLE Framework (Political, Economic, Sociocultural, Technological, Legal, and Environmental), permitting U.S. Bank to proactively identify and manage previously unknown third party risk.

12. Mark's efforts were critical in successfully resolving the outstanding OCC concerns and addressing internal concerns from the risk, control, and audit groups.

13. In addition to his expertise in third party risk and swiftly correcting the deficiencies on that team, Mark possesses advanced technical skills which were highly leveraged to address and resolve additional, unrelated audit, and regulatory issues at U.S. Bank. The Governance Control group would perform operational deep dives on struggling areas within the

division. My team would then map all processes and identify control gaps in the current state, while designing optimal controls for future state. We then would collaborate with Mark's team to technologically automate the designed controls. Thus, permanently resolving previously identified gaps within the struggling areas.

14. During the 2018 reorganization, Bryan Bolton did not consult me on my evaluation of Mark Pannek's performance, including not requesting clarification on Mark Pannek's job duties.

15. In or about March 2018, I was informed that I had received U.S. Bank's Legends of Possible Award. This Award included an all expenses paid trip for my wife and I to Tucson, Arizona, and a personal congratulations by U.S. Bank's Executive Vice President and Vice-Chair, Timothy Welsh.

16. I deny Bryan Bolton's contention that I failed to work with Rachel Votel and coordinate on a project by not participating in calls. I recall these calls, and I always participated in them. I am not aware of any issues that arose regarding Mark or I regarding those calls, including any issues with Ms. Votel or others. I do not recall Mark ever being rude on the calls with Ms. Votel.

17. At the time of my termination, there were two open positions under Bryan Bolton's organization chart. I was qualified for both the Risk and Controls position and Risk Strategy position.

18. After U.S. Bank terminated my employment, I applied for one of those positions within Bolton's organization, Risk Strategy Executive, and a U.S. Bank recruiter interviewed me. I was subsequently never contacted again about the position after the recruiter informed me he would pass my resume on to Bryan Bolton.

19. Based upon my review of the position and what I understood about the position during my employment at U.S. Bank, I was absolutely qualified for the position.

I declare under penalty of perjury that the foregoing is true and correct.

Thomas Strotman

Dated:


11-3-2001

TOM STROTMAN

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EXECUTIVE MANAGEMENT SUMMARY

A respected risk management professional with valuable experience in proactively identifying, assessing, monitoring, reporting, mitigating, and communicating risks encountered within an enterprise. Demonstrates core values of honesty, integrity, teamwork, and accountability. Strong ability to communicate at all levels of the organization in order to provide transparency and visibility of the organization's top risks. Passionate in the management and development of associates to ensure they exceed their performance goals. Consistently recognized for outstanding performance and balanced risk management philosophies.

Areas of expertise include:

COSO Risk Framework
Operational Loss / Fraud Management
Audit Management
Event Management
Issue Management
Customer Complaints
Business Continuity
Information Security
Risk & Control Self Assessments

Vendor Management / OSP Due Diligence
Document Change Control
Project Management
Talent Development
Agile / Lean / Six Sigma
Business Process Improvement
Business Technology Controls
Quality Control
Quality Assurance

PROFESSIONAL WORK PATH

US Bank • Cincinnati, OH • 2017 -- 2018

U.S. Bank, which is ranked 5th on the list of largest banks in the United States with over \$460 million in assets. The company provides banking, investment, mortgage, trust, and payment services products to individuals, businesses, governmental entities, and other financial institutions.

VICE PRESIDENT GOVERNANCE & CONTROLS

2017 - 2018

Set the strategic direction for a team of 60 Risk/Control professionals supporting the Consumer Banking business. Partner with business line Executives to align program support model to support strategic goals and initiatives. Primary Control contact for regulatory agencies during exams and quarterly updates. Responsible for the development, implementation, execution, and oversight of Consumer Banking control programs including Audit/Issue Management, Customer Complaints, Third Party Oversight, QC/QA, RCSA, Strategic/Business initiatives, Document Change Control, and Business Technology Controls. Develop and manage budget within corporate direction while continuing to build for the future.

Key Accomplishments:

- ☐ Improved OCC control rating from Needs Improvement to Satisfactory
- ☐ Improved all key measures by double digits on recent employee survey -- Talk to US
- ☐ Implemented proactive RCSA and Strategic/Business initiatives program
- ☐ Built Business Technology Control team to support control automation and other technology control requirements
- ☐ Eliminated backlog of procedures and letters -- over 1000 procedures and 3000 letters
- ☐ Supported closure of Deceased Borrower MRA by reengineering process and developing control automation

TOM STROTMAN

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JPMorgan Chase • Columbus, OH • 2013 – 2016

JPMorgan Chase & Co. is a leading global financial services firm with assets of \$2.4 trillion and operations worldwide. The firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing, asset management, and private equity. JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands.

VICE PRESIDENT OVERSIGHT & CONTROLS

2013 – 2016

Responsible for the development, implementation, execution, and oversight of Business Banking control programs inclusive of Access Administration, RED Operation Loss, Change Management / New Business Initiatives, Third Party Oversight, Customer Remediation and Corrections, Incident Management, Key Risk Indicators, User Tool and Model Oversight, RCSA, and Testing Data Support. Control Lead for all Small Business Strategic Initiatives. Responsible for the risk and control assessment of each project and development of appropriate controls and testing strategies.

Key Accomplishments:

- ☐ Developed high performance team of Control professionals
- ☐ Led efforts to improve standards and efficiencies for the RED Operational Loss program for Consumer and Business Banking
- ☐ Business Banking Control programs leveraged to set Oversight & Control standards
- ☐ Data queries developed to support more inclusive and effective RCSA testing
- ☐ Control Lead providing risk and control support for over 25 multimillion dollar projects

OTHER POSITIONS HELD

US Bank • Cincinnati, OH

- ☐ Assistant Vice President Operational Risk Management: 2011 – 2012

Fidelity Investments • Covington, KY

- ☐ Risk Management Director III: 2006 – 2010
- ☐ Director Risk Management: 2004 – 2006
- ☐ Risk Manager: 2002 – 2004
- ☐ Risk Analyst: 2000 – 2002
- ☐ Business Analyst: 1997 – 2000

Arthur Andersen LLP • Florence, KY

- ☐ Project Team Leader: 1996 – 1997

EDUCATION & CREDENTIALS

University of Cincinnati, College of Business • Cincinnati, OH • Accounting

RISK MANAGEMENT CERTIFICATION

LEAN MANUFACTURING Certification | SIX SIGMA YELLOW BELT Certification

Earned US Bank's top award -- Legends of Possible | Earned the JPMorgan Chase Business Banking Controls Award
2-time recipient of the Fidelity Outstanding Service Award | Earned the Fidelity GEM Award